



# SPECIAL RELEASE

## February 2018 Price Situation in the Cordillera (Base Year: 2012)

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### Consumer Price Index

- Consumer Price Index (CPI) is the general measure of the change in the average retail prices of a market basket or collection of goods and services commonly purchased by the average Filipino household.
- The CPI of the Cordillera Administrative Region (CAR) in February 2018 was 114.3. This was higher by 2.9 index points from the 111.4 CPI of February 2017 using 2012 as the new base year.
- Rebasings CPI is necessary to ensure that this barometer of economic phenomena is truly reflective of current situation. Consumer taste, fashion and technology change over time causing the fixed market basket of goods and services to become outmoded. To capture such changes for a more meaningful price comparison, revision or updating of the fixed market basket, the sample outlets, the weights and the base year had to be done periodically. The CPI is an indicator that derives its usefulness in its representation of how much a typical market basket behaves over a specific period.

**Table 1. Consumer Price Index by Province, CAR:  
February 2017 and 2018  
(2012=100)**

Province	February		Index Point Change
	2017	2018	
<b>CAR</b>	<b>111.4</b>	<b>114.3</b>	<b>2.9</b>
Abra	108.8	110.5	1.7
Apayao	112.7	114.3	1.6
Benguet	112.9	116.5	3.6
Ifugao	108.1	110.1	2.0
Kalinga	112.9	115.3	2.4
Mt. Province	108.1	110.7	2.6

Source: Philippine Statistics Authority

- Among the CAR provinces, Benguet posted the highest CPI for February 2018 at 116.5, followed by Kalinga at 115.3, and Apayao at 114.3. Ifugao posted the lowest CPI at 110.1.

- In terms of index point change, Benguet incurred the highest increase at 3.6 index points, followed by Mt Province and Kalinga with 2.6 and 2.4 points increase, respectively.

### CPI by Commodity Groups

- Among the commodity groups, Alcoholic Beverages and Tobacco had the highest CPI in the region at 183.0. The province of Apayao incurred the highest CPI on this commodity at 281.6, followed by Abra, and Kalinga at 215.1, and 203.4, respectively.
- Education registered the second highest CPI among the commodity groups in the region for February 2018 at 123.4 index points. Among the provinces, Kalinga had the highest index on education at 178.6, while Abra and Apayao had the lowest both at 115.5.
- Clothing and Footwear ranked third at 116.9 index points. Mountain Province recorded the highest index on clothing and footwear at 120.7, followed by Ifugao, and Benguet at 118.2, and 117.8 index points, respectively.
- Communication continued to have the lowest CPI among the commodity groups in the region with 101.3 index. The province of Abra incurred the highest index on communication with 103.6 index points, while Mountain Province had the lowest at 100.0 index points.
- Among the CAR provinces, Benguet incurred the highest CPI for all items with 116.5, while the province of Ifugao have the lowest index at 110.1.

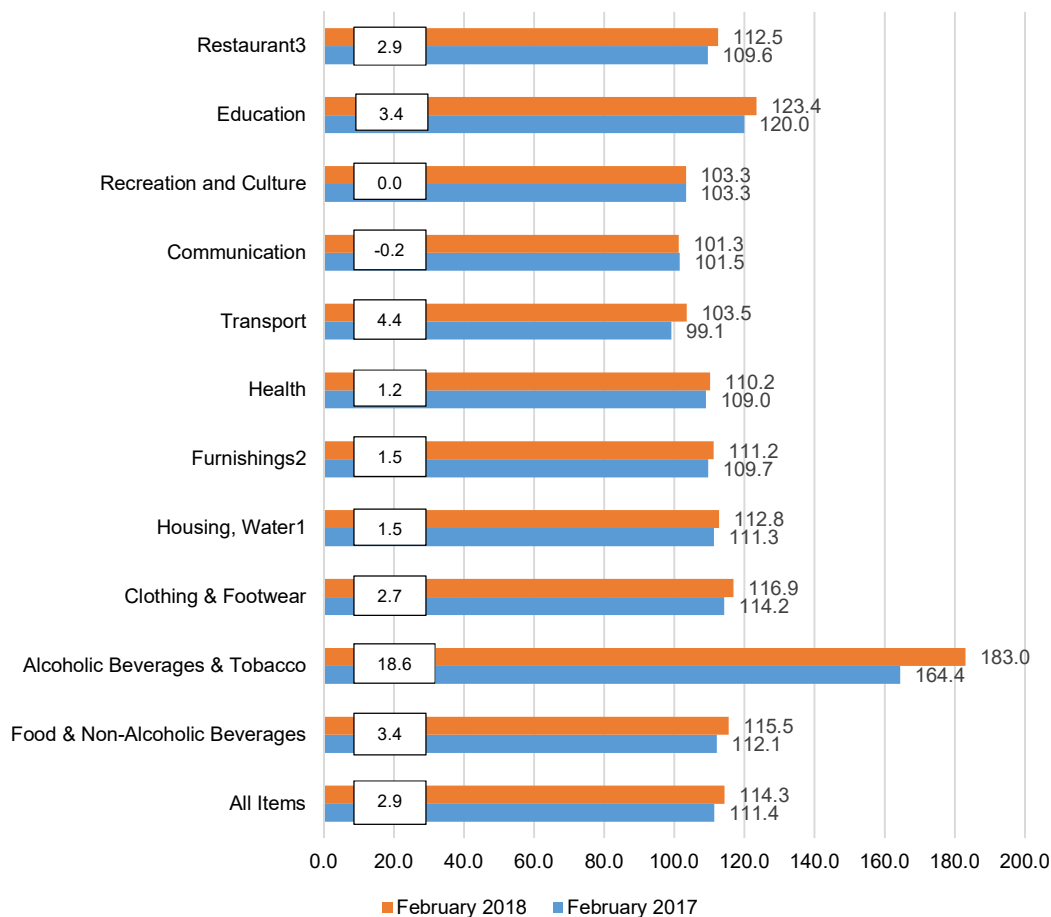
**Table 2. Consumer Price Index by Commodity Group and by Province, CAR: February 2018 (2012=100)**

Commodity Group	Region/Province						
	CAR	Abra	Apayao	Benguet	Ifugao	Kalinga	Mt. Province
<b>All Items</b>	<b>114.3</b>	<b>110.5</b>	<b>114.3</b>	<b>116.5</b>	<b>110.1</b>	<b>115.3</b>	<b>110.7</b>
Food and Non-Alcoholic Beverages	115.5	111.2	111.6	118.2	108.7	116.5	112.2
Alcoholic Beverages & Tobacco	183.0	215.1	281.6	168.6	169.2	203.4	161.8
Clothing and Footwear	116.9	113.5	110.5	117.8	118.2	116.5	120.7
Housing, Water, Electricity, Gas and Other Fuels	112.8	106.6	114.0	116.0	116.9	105.1	110.3
Furnishing, Household Equipment and Routine Maintenance of the House	111.2	110.0	112.6	110.8	111.5	118.2	107.2
Health	110.2	104.8	106.7	115.0	105.8	105.2	103.9
Transport	103.5	101.6	100.3	105.3	96.8	103.3	106.0
Communication	101.3	103.6	103.2	100.4	101.4	103.5	100.0
Recreation and Culture	103.3	107.0	110.5	100.8	106.2	109.4	102.8
Education	123.4	115.5	115.5	122.4	122.1	178.6	153.1
Restaurants and Miscellaneous Goods and Services	112.5	109.7	115.3	112.8	109.2	118.5	109.8

Source: Philippine Statistics Authority

- By index point change, Alcoholic Beverages and Tobacco recorded the highest which increased by 18.6 points. Increases were also incurred in Transport (4.4 points), Food and Non-alcoholic Beverages (3.4 points), and Clothing & Footwear (2.7 points). The rest of the commodity groups reported minimal annual increases.

**Figure 1. Year-on-Year Consumer Price Index by Commodity Group, CAR: February 2017 and 2018 (2012=100)**



**Notes:**

<sup>1</sup> includes Electricity, Gas & Other Fuels

<sup>2</sup> includes Household Equipment and Routine Maintenance of the House

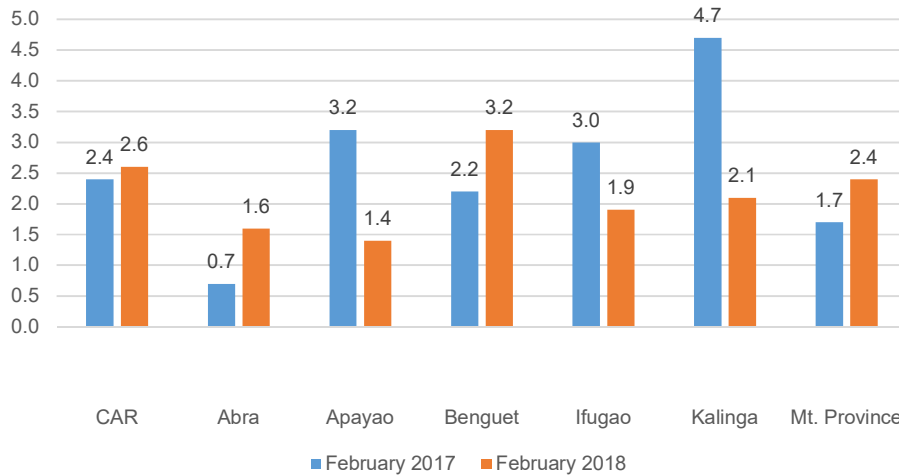
<sup>3</sup> includes Miscellaneous Goods and Services

Source: Philippine Statistics Authority

## Inflation Rate

- Average increase in prices of goods and services in the region accelerated to 2.6 percent in February 2018.
- Benguet posted the highest inflation rate at 3.2 percent, followed by Mountain Province at 2.4 percent, and Kalinga at 2.1 percent.
- Inflation surpassed the February 2017 rates for the provinces of Abra, Benguet and Mountain Province while other provinces had lower inflation rates in February 2018 relative to the same month last year.

**Figure 2. Year-on-Year Inflation Rates by Province, CAR:  
February 2017 and 2018 (2012=100)**



Source: Philippine Statistics Authority

## By Commodity Group, Year- on-Year

- Year-on-year inflation rate of the heavily-weighted Food and Non-Alcoholic Beverages index in the region accelerated to 3.0 percent from 2.2 percent in the previous month.
- Alcoholic Beverages & Tobacco had the highest inflation among other commodities in the region with 11.3 percent, followed by Transport with 4.4 percent.
- Meanwhile, inflation rates for Education were the same last month.

**Table 3. Year-on-Year Inflation Rates by Commodity Groups, CAR: January and February 2018 (2012=100)**

Commodity Group	Inflation Rates	
	January 2018	February 2018
<b>All Items</b>	<b>2.3</b>	<b>2.6</b>
Food and Non-Alcoholic Beverages	2.2	3.0
Alcoholic Beverages & Tobacco	8.1	11.3
Clothing and Footwear	2.6	2.4
Housing, Water, Electricity, Gas and Other Fuels	2.6	1.3
Furnishing, Household Equipment & Routine Maintenance of the House	1.0	1.4
Health	0.9	1.1
Transport	3.0	4.4
Communication	-0.4	-0.2
Recreation and Culture	-0.1	0.0
Education	2.8	2.8
Restaurants and Miscellaneous Goods and Services	2.5	2.6

Source: Philippine Statistics Authority

#### By Food Items, Year-on-Year

- Corn (7.7), Meat (6.1), and Rice (3.5) persisted to be the top three highest price increases in February 2018.
- Meanwhile, Vegetables, Sugar, Jam, Honey, Chocolate and Confectionery, and Food Products not elsewhere classified incurred negative inflation rates of 0.2 percent, 1.0 percent, and 0.2 percent, respectively.

**Table 4. Year-on-Year Inflation Rates of Selected Food Items, CAR: January and February 2017 and 2018 (2012=100)**

Food Items	2018		2017		Inflation Rates	
	January	February	January	February	Previous	Current
Bread and Cereals	113.8	115.4	111.8	111.7	1.8	3.3
Rice	113.8	115.7	111.9	111.8	1.7	3.5
Corn	138.0	137.9	128.4	128.1	7.5	7.7
Other Cereals*	112.4	112.9	110.6	110.6	1.6	2.1
Meat	114.7	114.8	108.2	108.2	6.0	6.1
Fish	114.9	114.7	111.9	111.4	2.7	3.0
Milk, Cheese and Eggs	112.2	112.9	108.5	109.2	3.4	3.4
Oils and Fats	111.3	111.9	107.7	108.8	3.3	2.8
Fruits	130.7	132.9	132.2	129.2	-1.1	2.9
Vegetables	119.3	117.9	119.9	118.1	-0.5	-0.2
Sugar, Jam, Honey, Chocolate & Confectionery	107.1	107.6	108.9	108.7	-1.7	-1.0
Food Products, N.E.C.	106.6	107.7	108.0	107.9	-1.3	-0.2

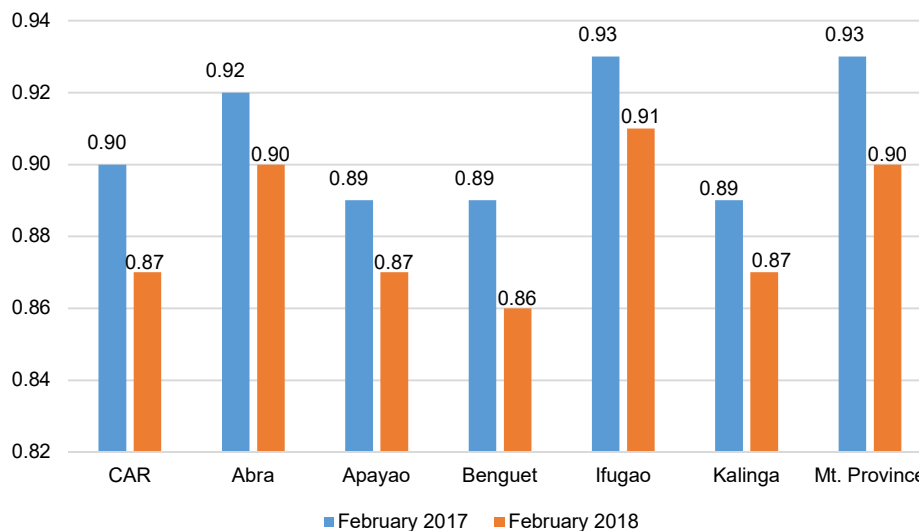
\*Includes flour, cereal preparation, bread, pasta and other bakery products

Source: Philippine Statistics Authority

### Purchasing Power of the Peso (PPP)

- The value of the peso in the region was 87 centavos in February 2018. This dropped by three centavos from 90 centavos in February 2017. This means that one peso in 2012 is worth 87 centavos in 2018.
- In other words, a basket of goods that can be bought 100 pesos in 2012 is worth 115 pesos in February 2018.
- The PPP in all the provinces generally weakened in February 2018 as compared to February 2017.
- Ifugao had the highest peso value at 91 centavos, followed by Abra and Mountain Province both at 90 centavos. Meanwhile, Benguet had the lowest peso value at 86 centavos.

**Figure 3. Purchasing Power of the Peso by Province, CAR:  
February 2017 and 2018  
(2012=100)**



Source: Philippine Statistics Authority

**VILLAFE P. ALIBUYOG**  
Regional Director

## Technical Notes

**Consumer Price Index (CPI)** is a general measure of the change in the average retail prices of a market basket or collection of goods and services commonly purchased by the average Filipino household.

**Inflation Rate (IR)** is the rate of change in the average price level between two periods (year-on year/month-on-month as measured by the CPI).

**Purchasing Power of the Peso (PPP)** measures how much the peso in the reference year is worth in another year.

**Base Year (BY)** is the reference point of the index number series, at which the index number is set to 100. It is the reference point of the index number series.

The CPI is now rebased to 2012 base year from the current 2006 base year. The year 2012 was chosen as the next base year because it was the latest year when the Family Income and Expenditure Survey (FIES) results were made available. It is also the synchronized rebasing of the price indices to base year 2006 and every six years thereafter.

**Market Basket (MB)** is a sample of goods and services used to represent all goods and services produced or bought.

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